The Hon
Andrew Thomson
Minister of Finance

2006-2007

Saskatchewan

Provincial Budget

Supplementary Estimates

March 2007

SASKATCHEWAN

Supplementary Estimates - March

For the Fiscal Year
Ending March 31
2007

General Revenue Fund
Supplementary Estimates - March
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Introduction

The 2006-07 Supplementary Estimates – March is prepared in accordance with *The Financial Administration Act, 1993*. It is a request for additional funding from the General Revenue Fund (GRF) that was not included in the Estimates presented with the Government's 2006-07 Budget and the 2006-07 Supplementary Estimates – November.

Also included in the 2006-07 Supplementary Estimates – March is funding provided by special warrant subsequent to the 2006-07 Supplementary Estimates – November. These special warrants were issued pursuant to section 14 of *The Financial Administration Act, 1993* and provided additional appropriation (funding) from the GRF for the 2006-07 fiscal year.

All funding provided by special warrant must be submitted to the Legislative Assembly as part of the next *Appropriation Act* that is not an Act for interim supply. Pending approval of the 2006-07 Supplementary Estimates – March an *Appropriation Act* will be submitted to the Legislative Assembly which will include the appropriation provided by special warrant.

The 2006-07 Supplementary Estimates – March include Government's request to the Legislative Assembly for additional funding. This Supplementary Estimates does not provide estimated changes in revenue and the GRF surplus. That information is provided in the Government's 3rd Quarter Report released on February 26, 2007. The Supplementary Estimates – March provide a reconciliation between the GRF operating appropriation, and the expense identified in the 3rd Quarter Report. In addition, it provides schedules detailing the changes in the Fiscal Stabilization Fund and the Saskatchewan Infrastructure Fund balances.

The Supplementary Estimates – March is the second Supplementary Estimates provided in 2006-07. The schedules include revised estimated amounts identified in both Supplementary Estimates. Column headings in the schedules identified as "November Estimated" or "March Estimated" refer to the amount in the applicable 2006-07 Supplementary Estimates.

Fiscal Stabilization Fund

(in thousands of dollars)

	Original Estimated 2006-07	November Estimated 2006-07	March Estimated 2006-07	Change from November 2006-07
Fiscal Stabilization Fund, Beginning of Year	765,900	887,500 [1]	**887,500**	---
Transfer from (to) General Revenue Fund	(75,000)	---	---	---
Fiscal Stabilization Fund, End of Year [2]	690,900	887,500	**887,500**	---

[1] This amount represents the balance as at March 31, 2006 as shown in the 2005-06 Public Accounts. This amount reflects an actual 2005-06 transfer of $139.0M to the Fund instead of the $17.4M that was forecasted.

[2] Since its inception, the balance of the fund has been deposited with the General Revenue Fund. Starting in 2006-07, it is invested in short and medium-term marketable securities.

Saskatchewan Infrastructure Fund

(in thousands of dollars)

	Original Estimated 2006-07	November Estimated 2006-07	March Estimated 2006-07	Change from November 2006-07
Saskatchewan Infrastructure Fund, Beginning of Year	---	---	---	---
Transfer from the General Revenue Fund	---	100,000	**114,514**	14,514
Transfers (to) the General Revenue Fund	---	(20,000)	**(16,600)**	3,400
Saskatchewan Infrastructure Fund, End of Year [1]	---	**80,000**	**97,914**	17,914

[1] The balance of the fund is invested in short and medium-term marketable securities.

Appropriation to Expense Reconciliation

(in thousands of dollars)

	Original Estimated 2006-07	November Estimated 2006-07	March Supplementary Estimated 2006-07	March Adjustments Estimated 2006-07	March Estimated 2006-07
Operating Appropriation	7,275,749	7,639,504	191,428	23,810	**7,854,742**
Acquisition of Capital Assets	(241,001)	(289,423)	(15,749)	6,917 [1]	**(298,255)**
Amortization of Capital Assets	114,544 [2]	123,904	---	(64)	**123,840** [2]
Operating Expense	7,149,292	7,473,985	175,679	30,663	**7,680,327**

[1] This amount includes the net change from the November Estimated amount, for transfers between capital and non-capital appropriations and capital underexpenditures.

[2] Total capital amortization of government-owned assets excludes amortization incurred by service providers such as the Department of Property Management that is recovered in billings to their clients [other departments ($18,832K) and non-GRF organizations ($10,520K)].

Schedule of Budgetary Appropriation

(in thousands of dollars)

	Original Estimated 2006-07	November Estimated 2006-07	March Supplementary Estimated 2006-07	March Adjustments Estimated 2006-07	March Estimated 2006-07
Executive Branch of Government					
Advanced Education and Employment	602,335	673,805	20,574	---	**694,379**
Agriculture and Food	264,792	331,422	37,434	---	**368,856**
Community Resources	603,296	653,249	61,000	(281)	**713,968**
Corrections and Public Safety	146,613	156,208	20,150	3,539	**179,897**
Culture, Youth and Recreation	50,320	72,430	---	---	**72,430**
Environment	202,471	215,371	768	(2,084)	**214,055**
Executive Council	8,909	8,909	263	142	**9,314**
Finance	40,706	40,706	---	---	**40,706**
- Public Service Pensions and Benefits	219,103	219,103	1,500	3,408	**224,011**
First Nations and Metis Relations	51,095	62,582	---	(1,355)	**61,227**
Government Relations	199,404	213,369	---	(1,117)	**212,252**
Health	3,189,398	3,219,798	20,000	---	**3,239,798**
Highways and Transportation	203,579	226,209	4,400	---	**230,609**
Highways and Transportation Capital	141,382	179,956	---	---	**179,956**
Industry and Resources	87,138	67,683	---	(2,286)	**65,397**
Information Technology Office	5,695	5,795	1,368	---	**7,163**
Justice	234,141	237,974	1,900	---	**239,874**
Labour	15,659	15,659	---	---	**15,659**
Learning	766,287	788,517	15,000	183	**803,700**
- Teachers' Pensions and Benefits	138,749	135,866	---	24,000	**159,866**
Northern Affairs	5,709	5,709	---	---	**5,709**
Property Management	34,266	37,066	5,100	(65)	**42,101**
Public Service Commission	14,163	14,163	1,536	---	**15,699**
Regional Economic and Co-operative Development	11,111	11,111	315	---	**11,426**
Saskatchewan Research Council	8,446	8,446	---	---	**8,446**
SaskEnergy Incorporated	---	7,000	---	---	**7,000**
Legislative Branch of Government					
Chief Electoral Officer	882	1,298	---	40	**1,338**
Children's Advocate	1,295	1,295	---	---	**1,295**
Conflict of Interest Commissioner	138	138	---	---	**138**
Information and Privacy Commissioner	599	599	---	---	**599**
Legislative Assembly	20,198	20,198	120	(314)	**20,004**
Ombudsman	1,816	1,816	---	---	**1,816**
Provincial Auditor	6,054	6,054	---	---	**6,054**
Operating Appropriation	7,275,749	7,639,504	191,428 [1]	23,810 [2]	**7,854,742**

[1] This amount includes appropriation provided by Special Warrant and $100.0M to be approved by the Legislative Assembly for announced initiatives to revitalize Saskatchewan neighbourhoods.

[2] This amount includes net adjustments, from the November Estimated amount, to statutory appropriations and net changes in expenditures that do not exceed the total voted appropriation provided in 2006-07.

Schedule of Capital Asset Acquisitions

(in thousands of dollars)

Capital Asset Acquisitions	Original Estimated 2006-07	November Estimated 2006-07	March Supplementary Estimated 2006-07	March Adjustments Estimated 2006-07	March Estimated 2006-07
Advanced Education and Employment	809	809	3,574	---	**4,383**
Chief Electoral Officer	75	75	---	---	**75**
Community Resources	2,450	3,550	---	---	**3,550**
Corrections and Public Safety	17,225	13,273	---	3,539	**16,812**
Environment	28,277	35,277	---	---	**35,277**
Finance	900	900	---	---	**900**
Health	11,621	11,621	12,000	(9,000)	**14,621**
Highways and Transportation	9,314	9,314	---	---	**9,314**
Highways and Transportation Capital	141,382	179,956	---	---	**179,956**
Industry and Resources	400	400	---	---	**400**
Information Technology Office	250	250	175	---	**425**
Justice	2,822	4,222	---	(1,800)	**2,422**
Legislative Assembly	43	43	---	3	**46**
Property Management	24,324	28,624	---	341	**28,965**
Provincial Auditor	79	79	---	---	**79**
Public Service Commission	1,030	1,030	---	---	**1,030**
Capital Asset Acquisitions - Appropriation	241,001	289,423	15,749	(6,917) [1]	**298,255**

[1] This amount includes the net change, from the November Estimated amount, in transfers between capital and non-capital appropriations and changes in capital expenditures that do not exceed the total voted appropriation provided in 2006-07.

General Revenue Fund
Supplementary Estimates - March
For the Fiscal Year Ending March 31, 2007

	$000s To Be Voted
Budgetary Expenditure	
Executive Branch of Government	
Advanced Education and Employment - Vote 37	
Post-Secondary Education (AE02)	
Post-Secondary Capital Transfers	17,000
Capital Asset Acquisition (AE08)	
Capital Asset Acquisition	3,574
Funding of $17.0M is required to provide a grant to the Saskatchewan Institute of Applied Science and Technology (SIAST) for redeveloping a portion of Mount Royal Collegiate into a training facility in partnership with the Saskatchewan Indian Institute of Technologies, the Saskatoon Public School Board, and the Dumont Technical Institute.	
An appropriation was also provided by Special Warrant to account for and address ownership of the addition to SIAST - Kelsey Campus. A payment of the same amount will be provided to the General Revenue Fund.	
	20,574
Agriculture and Food - Vote 1	
Industry Assistance (AG03)	
Industry Assistance	37,434
Additional funding was provided by Special Warrant to expand the capacity for research and innovation to enhance the competitiveness of the agricultural industry under the terms of the federal/provincial Agricultural Policy Framework Agreement. Funding under this Agreement is fully reimbursed by the federal government. Funding is also required to provide for capital grants for slaughter, processing and rendering plants to assist them in conforming with the recently enacted federal disposal regulations for specified risk material management and other disposal options.	
	37,434
Community Resources - Vote 36	
Child and Family Services (CR04)	
Child and Family Community-Based Organization Services	1,000
Housing (CR12)	
Saskatchewan Housing Corporation	60,000
Additional funding was provided by Special Warrant for the Province's share of a capital grant to undertake improvements to ensure basic facility standards of a child protection residential facility.	
Funding of $60.0M is also required for the development of affordable rental housing and homeownership in major urban inner city neighbourhoods and northern communities to support youth at risk and low to moderate-income families with children.	
	61,000

Supplementary Estimates - March

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	$000s To Be Voted
Corrections and Public Safety - Vote 73	
Replacement Services During Work Stoppage (CP05)	
Replacement Services During Work Stoppage	20,150
Additional funding was provided by Special Warrant for the estimated cost of $21.15M for replacement services required during the work stoppage in provincial correctional centres off-set by $7.7M in related salary savings. $6.7M of the savings will be redirected to cover expenditures as a result of increased inmate counts, the radio telecommunications project and the tentative Collective Bargaining Agreement.	
	20,150
Environment - Vote 26	
Central Management and Services (ER01)	
Central Services	568
Fish and Wildlife Development Fund (ER07)	
Wildlife Development	200
Additional funding was provided by Special Warrant for the tentative Collective Bargaining Agreement and for additional payments to the Fish and Wildlife Development Fund due to higher than anticipated revenue from the sale of hunting licences.	
	768
Executive Council - Vote 10	
Central Management and Services (EX01)	
Executive Management	132
Central Services	131
Additional funding was provided by Special Warrant for project management costs and accrued liability on leave entitlement.	
	263
Finance - Vote 18	
Pensions and Benefits (FI09)	
Public Employees' Pension Plan	1,000
Employees' Benefits - Employer's Contribution	500
Additional funding was provided by Special Warrant for additional public service pension and benefit costs as a result of the tentative Collective Bargaining Agreement.	
	1,500

Supplementary Estimates - March

Continued

	$000s To Be Voted
Health - Vote 32	
Provincial Health Services (HE04)	
Provincial Targeted Programs and Services	12,000
Regional Health Services (HE03)	
Regional Targeted Programs and Services	8,000
Additional funding was provided by Special Warrant for the purchase of two new aircraft for Air Ambulance Services.	
Funding of $8.0M is also required for a grant to the Saskatoon Regional Health Authority to provide for development of a community-based service centre in Saskatoon which will include a variety of health related services.	
	20,000
Highways and Transportation - Vote 16	
Operation of Transportation System (HI10)	
Winter Maintenance	4,400
Additional funding was provided by Special Warrant for additional costs for winter maintenance on provincial highways due to higher than average snowfall and warmer weather in December and early January.	
	4,400
Information Technology Office - Vote 74	
Central Management and Services (IT01)	
Central Services	55
IT Coordination and Transformation Initiatives (IT03)	
Information Technology Coordination	1,138
Major Capital Asset Acquisitions (IT07)	
Major Capital Asset Acquisitions	175
Additional funding was provided by Special Warrant for the tentative Collective Bargaining Agreement, for the implementation of Saskatchewan! Connected to provide free Wi-Fi Internet service to downtown business districts and post-secondary institutions in Saskatoon, Prince Albert, Regina and Moose Jaw and for other unanticipated expenditures.	
	1,368

Supplementary Estimates - March

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	$000s To Be Voted
Justice - Vote 3	
Central Management and Services (JU01)	
Central Services	330
Courts and Civil Justice (JU03)	
Court Services	950
Legal and Policy Services (JU04)	
Public Prosecutions	300
Community Justice (JU05)	
Community Services	100
Boards and Commissions (JU08)	
Automobile Injury Appeal Commission	220
Additional funding was provided by Special Warrant for the tentative Collective Bargaining Agreement, and for costs reimbursed by Saskatchewan Government Insurance to appoint two additional full-time members to the Automobile Injury Appeal Commission.	
	1,900
Learning - Vote 5	
Pre-K-12 Education (LR03)	
School Capital Transfers	15,000
Funding of $15.0M is required to provide for the development of a multi-service neighbourhood-based community centre and a trades and skills training facility in North Central Regina.	
	15,000
Property Management - Vote 13	
Asset Disposal (PM09)	
Asset Disposal	5,100
Additional funding was provided by Special Warrant for decommissioning costs under the terms of the agreement to transfer Souris Valley Care Centre to the City of Weyburn.	
	5,100
Public Service Commission - Vote 33	
Human Resource Information Services (PS06)	
Human Resource Information Services	559
Human Resource Client Service (PS03)	
Human Resource Client Service	977
Additional funding was provided by Special Warrant for the tentative Collective Bargaining Agreement, for increased information technology systems and services costs and for other unanticipated expenditures.	
	1,536

Supplementary Estimates - March

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	$000s To Be Voted
Regional Economic and Co-operative Development - Vote 43	
Central Management and Services (RD01)	
Central Services	170
Investment Programs (RD03)	
Saskatchewan Snowmobile Trail Management	145
Additional funding was provided by Special Warrant for increased payments to the Saskatchewan Snowmobile Fund as a result of increased snowmobile registrations in 2006-07. Saskatchewan Government Insurance reimburses the General Revenue Fund for revenue collected from snowmobile registrations. Funding is also required for additional salary and information technology expenditures.	
	315

Legislative Branch of Government

Legislative Assembly - Vote 21	
Central Management and Services (LG01)	
Central Services	120
Additional funding was provided by Special Warrant for design and start-up costs to initiate construction of additional committee facilities in the Legislative Building.	
	120

Summary

Budgetary Expenditure

Amount Provided by Special Warrant	91,428
Additional Funding Required	100,000
Budgetary Expenditure - *To Be Voted*	191,428
Lending and Investing Activities - *To Be Voted*	- - -

Supplementary Estimates - March

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		$000s
Saskatchewan Infrastructure Fund - Vote 78		
Saskatchewan Infrastructure Transfer (SI01)		14,514
Canada-Saskatchewan Infrastructure Program	976	
Municipal Rural Infrastructure Fund	8,956	
Canada Strategic Infrastructure Fund	4,500	
Urban Development Agreements	82	
This is a statutory appropriation.	14,514	
Revenue Transfer From the Fund		3,400
Building Communities Program [1]	3,400	

The Saskatchewan Infrastructure Fund was created to receive money from the General Revenue Fund (GRF) to provide and maintain infrastructure in Saskatchewan. The transfer to the Fund is committed to future infrastructure projects in accordance with the programs and amounts listed above.

[1] The transfer from the Saskatchewan Infrastructure Fund to the General Revenue Fund for the Building Communities Program is treated as revenue. It was estimated at $20.0M in the 2006-07 Supplementary Estimates - November and subsequently reduced by $3.4M.

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